VZCZCXRO2949 PP RUEHLMC DE RUEHLP #2717/01 2792124 ZNY CCCCC ZZH P 062124Z OCT 06 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 0815 INFO RUEHAC/AMEMBASSY ASUNCION 6160 RUEHBO/AMEMBASSY BOGOTA 3474 RUEHBR/AMEMBASSY BRASILIA 7335 RUEHBU/AMEMBASSY BUENOS AIRES 4597 RUEHCV/AMEMBASSY CARACAS 1851 RUEHPE/AMEMBASSY LIMA 1892 RUEHMN/AMEMBASSY MONTEVIDEO 4061 RUEHQT/AMEMBASSY QUITO 4487 RUEHSG/AMEMBASSY SANTIAGO 9062 RHMFISS/HQ USSOUTHCOM MIAMI FL RUMIAAA/USCINCSO MIAMI FL RUEHLMC/MILLENNIUM CHALLENGE CORP RHEBAAA/DEPT OF ENERGY WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHEHNSC/NSC WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 LA PAZ 002717

STPDTS

SIPDIS

E.O. 12958: DECL: 10/07/2016 TAGS: <u>ECON PGOV PREL BL</u>

SUBJECT: CONSTITUENT ASSEMBLY: PLENIPOTENTIARY DEBATE

CONTINUES

REF: A. LA PAZ 2636

¶B. LA PAZ 2683
¶C. LA PAZ 2698

Classified By: Amb. Philip S. Goldberg for reasons 1.4 (b) and (d).

SUMMARY

11. (C) Nationwide debate continues over the Constituent Assembly's declared "plenipotentiary" nature, with Supreme Court President Hector Sandoval and President Morales exchanging public barbs about the other's "interference" in Assembly matters. Following MAS party leader Ramon Loayza's return to the Assembly and conciliatory speech October 4, a brief window for dialogue reopened, only to close again after Morales visited Sucre the same day. The Assembly approved 40 plus non-controversial articles of its rules of order this week, but failed to reach agreement on organization of Assembly commissions. Political infighting and uncertainty from the Constituent Assembly seems to be spreading throughout Bolivian society (see reftel regarding mining crisis). But at the same time, thousands marched in the central department of Cochabamba for a "unified and democratic Bolivia," putting a slightly different spin on the traditional east-west conflict. End summary.

CONTROVERSY ON "PLENIPOTENTIARY" POWERS

12. (C) Nationwide debate continues over the Constituent Assembly's declared "plenipotentiary" nature, with Supreme Court President Hector Sandoval and President Morales exchanging public barbs about the other's "interference" in Assembly matters. Sandoval expressed his personal opinion, followed by a Supreme Court resolution, that the Assembly cannot be plenipotentiary as its only task is to revise Bolivia's existing constitution, and that the MAS majority vote declaring it "original" was improper. In response, Morales criticized the court for interfering in the Assembly, accusing it of opposing change in Bolivia and of being a

vestige of the "colonial state."

GROUP HUGS

13. (C) MAS party leader Ramon Loayza returned to the Assembly to give a conciliatory and emotional speech October 4, in which he said his near-death experience had led him to realize that he should work with his counterparts in the Assembly. Podemos and opposition parties warmly welcomed him back, and this new-found affection seemed to open a window for dialogue with assembly members exchanging group hugs. However, according to opposition representatives, Morales' October 4 trip to Sucre, in which he again instructed MAS delegates to pass the rules of debate by simple majority, foreclosed any chance for dialogue.

RULES AND COMMISSIONS

14. (C) The Assembly approved 40 plus non-controversial articles of its rules of order this week. It approved most by a two-thirds vote, with Podemos and several small opposition parties abstaining to protest the simple majority vote on Article 1, which declared the Assembly plenipotentiary (reftels A and B). The Assembly is in recess until October 9, but is stumbling over organization of Assembly commissions. Each of the 255 representatives is entitled to participate in one commission or sub-commission, but parties are jockeying for places on key commissions such

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as government reform and autonomy. One Santa Cruz delegate said that once formed, the commissions will hold hearings on their respective issues to allow public participation in the debate, and estimated that the Assembly will not begin any substantive work until January 2007.

COMMENT

15. (C) As political infighting and uncertainty from the Constituent Assembly seems to be spreading throughout Bolivia (see reftel C regarding the mining conflict), thousands marched in Cochabamba October 5 for a "unified and democratic Bolivia." The march represents a welcome reprieve from the traditional east-west conflict, as Cochabamba is not aligned with the "media luna" departments of Santa Cruz, Beni, Pando and Tarija. This march, as well as the Supreme Court resolution, are intended to pressure the Morales government to negotiate. End comment.